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# SCLE Revision:

## Stock Market and Securities Law (Module 6)



**Delivering Professional Excellence**

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## Programme Objective

This course equips participants with comprehensive understanding and knowledge based on the Module 6 Study Outline. Participants will advance their knowledge and comprehension further via an interactive teaching and learning experience while increasing their confidence in sitting for the examination. This course will be facilitated by an experienced and qualified trainer.

## Programme Overview

This 2½ -day course is designed to match the licensing study outline for Module 6 on stock market and securities law. It covers the securities industry with specific focus on Malaysian market, regulatory structure and its governing laws, duty and standard care of dealing in securities, various offences and stock market operations.

## Learning Outcome

Candidates are expected to have good knowledge, understanding and ability to apply in the following areas:

- The securities industry and its significance to the Malaysian economy
- The regulatory structure of the securities industry in Malaysia
- The main laws and regulations governing the operation of the securities industry in Malaysia
- The relationship between the stockbroking company and its client
- The duty and standard of care applicable to person(s) who carries (carry) on the business of dealing in securities
- The licensing requirements of person(s) who carries (carry) on the business of dealing in securities and their representatives
- The various securities offences and describe how they are regulated
- The operations of the stock market in Malaysia

## Candidates' Prerequisites

Candidates are expected to have relatively strong capability in the application and analysis of information provided in this outline and its reference.

## Methodology

This course will be delivered using effective learning methods which include presentations, discussions and review examination questions.

## Programme Details

### Venue

Securities Commission (SC)

### Target audience

Candidates preparing for the Module 6 SC Licensing Examination  
New entrants to the capital market industry and staff of investment banks

### Number of participants

Maximum of 25 participants

### Duration

2 ½ days:

0900 – 1730 (Day 1)

0900 – 1745 (Day 2)

0900 – 1235 (Day 3)

### Trainer

To be advised upon confirmation

## Stock Market and Securities Law (Module 6)

<b>PROGRAMME – DAY ONE</b>	
8.30 am	Registration
9.00 am	<p><b>Overview of the Malaysian Stock Markets</b></p> <ul style="list-style-type: none"> <li>• Securities</li> <li>• The Malaysian Stock Market</li> <li>• Participants and Intermediaries in the Malaysian Stock Market</li> </ul> <p><b>Regulation of the Securities Industry</b></p> <ul style="list-style-type: none"> <li>• Overview of the Law</li> <li>• Regulatory Bodies in Malaysia</li> </ul> <p><b>Business Structures</b></p> <ul style="list-style-type: none"> <li>• Range of Business Structures</li> <li>• Companies</li> <li>• A Company’s Constitution</li> <li>• General Management and Administration</li> <li>• Administration and Management of a Participating Organisation</li> </ul>
10.45 am	Refreshments
11.00 am	<p><b>Capital Raising on the Primary Market</b></p> <ul style="list-style-type: none"> <li>• Primary Issues of Ordinary Shares</li> <li>• Post Listing Requirements</li> <li>• Securities Issues in the Secondary Market</li> <li>• Bursa Malaysia Securities Berhad Main Market Listing Requirements</li> <li>• Bursa Malaysia Securities Berhad ACE Market Listing Requirements</li> <li>• Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework</li> </ul> <p><b>Trading on the Secondary Market</b></p> <ul style="list-style-type: none"> <li>• The Trading System</li> <li>• Rules of Bursa Malaysia Securities Berhad on Trading</li> <li>• Bursa Malaysia Securities Berhad Participating Organisations’ Trading Manual</li> </ul>
1.00 pm	Lunch
2.00 pm	<p><b>Relevant Guidelines for Dealing in Securities</b></p> <ul style="list-style-type: none"> <li>• Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries</li> <li>• Guidelines on Market Conduct and Business Practices for Stockbrokers and Licensed Representatives</li> </ul>
3.45 pm	Refreshments
4.00 pm	<p><b>Clearing, Delivery, Settlement and Corporate Actions</b></p> <ul style="list-style-type: none"> <li>• Clearing</li> <li>• Delivery and Settlement</li> <li>• Corporate Actions</li> <li>• Other Matters</li> </ul>
5.30 pm	End of Day One

## Stock Market and Securities Law (Module 6)

<b>PROGRAMME – DAY TWO</b>	
8.30 am	Registration
9.00 am	<b>Law of Contract</b> <ul style="list-style-type: none"> <li>• What is the Law of Contract?</li> <li>• Essential Elements of a Contract</li> <li>• Contracts entered into on Bursa Malaysia Securities Berhad</li> </ul>
10.45 am	Refreshments
11.00am	<b>Relationship between Stockbroking Company and Client</b> <ul style="list-style-type: none"> <li>• Stockbroking Company and Client</li> <li>• Rules Governing the Stockbroking Company and Client Relationship</li> <li>• Buying Securities on the Market</li> <li>• Direct Business</li> <li>• Participating Organisation’s Duties to Clients’</li> <li>• Participating Organisation’s Rights</li> <li>• Client’s Rights</li> <li>• Keeping of Records</li> </ul>
1.00 pm	Lunch
2.00 pm	<b>Negligent Misstatement</b> <ul style="list-style-type: none"> <li>• Essential Elements of the Tort of Negligent Misstatement</li> <li>• Statutory Liability</li> </ul> <b>Licensing</b> <ul style="list-style-type: none"> <li>• Licensing Framework</li> </ul>
3.45 pm	Refreshments
4.00 pm	<b>Securities Offences</b> <ul style="list-style-type: none"> <li>• Trading in Securities: Prohibited Conduct Under the CMSA</li> <li>• Other Offences Relating to Dealing</li> <li>• Other Offences Relating to False and Misleading Statements</li> <li>• Other Offences</li> </ul>
5.30 pm	End of Day Two

## Stock Market and Securities Law (Module 6)

<b>PROGRAMME - DAY THREE</b>	
9.00am	<b>Take-overs</b> <ul style="list-style-type: none"><li>• What are Take-overs?</li><li>• The Legal Framework</li><li>• Penalties for Contravention of the Code</li></ul>
10.30am	Refreshments
10.45am	Revision and Feedback Session on Set of Questions
12.30pm	End of Day Three